



Ministry  
of Defence

MINISTRY OF DEFENCE  
FLOOR 5, ZONE B, MAIN BUILDING  
WHITEHALL LONDON SW1A 2HB

Telephone 020 7218 9000 (Switchboard)

STUART ANDREW MP  
PARLIAMENTARY UNDER-SECRETARY OF STATE AND MINISTER  
FOR DEFENCE PROCUREMENT

MSU4/5/2/34/ap

25 April 2019

Dear Julian

Thank you for your letter of 9 April 2019 and for your continued interest in the procurement of the Boeing E-7 to fulfil the Airborne Early Warning and Control (AEW&C) role. I hope you will find the below responses to your questions reassuring.

**Q1 For what reason are you confident that the aircraft will be delivered in four and a half years, when the production line has been closed for five years and historically the minimum time between contract signature and first delivery of these aircraft has been at least six years?**

The Seattle production line for the 737NG aircraft, which is then modified to become an E-7 AEW&C, is still operating and producing multiple military variants of the 737NG (including the Poseidon P8) for the US, UK and other customers. Boeing has sourced two 737NG from the commercial market and secured a further three production slots on this Seattle production line in 2021 and 2022 to meet our needs. The conversion of these five aircraft to the E-7 AEW&C standard will be undertaken at Marshall Aerospace's facilities in Cambridge.

Boeing have significant experience of the conversion from the 737NG to E-7 having previously set up conversion facilities in three separate countries. They have already started work with Marshall Aerospace, bringing in an experienced team who were involved in the previous conversions to ensure lessons have been learnt and are applied.

Robust project management disciplines are being applied by industry that the Ministry of Defence (MOD) will continually monitor, for example, the MOD has recently visited Marshall Aerospace to assure itself of progress.

**Q2 Whether any developments used in the 737MAX aircraft generation are used in the aircraft, which you have described as 'based on' the 737NG aircraft generation?**

The 737NG pre-dates the 737MAX and therefore does not include 737MAX development technologies, including the much publicised 737 Manoeuvring Characteristics Augmentation System (MCAS) software.

The Rt Hon Dr Julian Lewis MP  
Chair, Defence Committee  
House of Commons  
London  
SW1A 0AA

**Q3 Does the contract cover any training, infrastructure or other services, or is it limited to delivery of the aircraft alone?**

The initial contract principally covers the aircraft procurement and conversion. We anticipate contracting for training, infrastructure and other services will take place over the next two years.

**Q4 What opportunities the contract provides for small and medium-sized enterprises, the importance of which you stressed in your meeting with the President of Boeing International on 6 November last year?**

With the contract for E-7 having just been signed, Boeing is now looking to source its own sub-contractors for the programme. UK industry will be involved in key aspects of the programme; for example, the modification work of the base Boeing 737 aircraft will be undertaken by Marshall Aerospace and Defence in Cambridge. There will also be opportunities for the UK supply chain to become involved in through-life support and training for the Royal Air Force E-7 fleet and for the personnel who operate and support the aircraft. Sub-contract competition will be maximised and Boeing are already actively engaged through the UK Prosperity Agenda to make best use of small and medium sized enterprise (SME) opportunities.

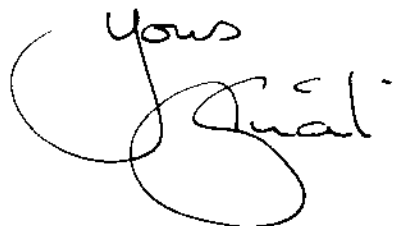
The MOD regularly talks to Boeing to discuss its activities in engaging UK SMEs in its supply chain and the company is driving forward a number of initiatives. This includes providing bidding workshops for a number of companies in the UK, and taking UK trade delegations to the US to provide them with details of wider Boeing requirements that could lead to export opportunities. Boeing has also appointed an SME Champion whose role is to improve engagement with SMEs.

**Q5 When the modification work in the UK will start and how long you expect it to last?**

Modification of the first aircraft is due to start in 2021, with the fifth and final aircraft modification expected to be completed by early 2026. We anticipate the modification of each aircraft to take an average of 24 months.

**Q6 What opportunities exist for support for the aircraft and training of their crews will be available to UK companies and when?**

We anticipate that through-life support and training will be undertaken in the UK, and therefore opportunities for the UK supply chain will become available over coming years as those future contracts are put in place. It is, however, too early to provide details at this stage.

A handwritten signature in black ink, appearing to read 'Stuart Andrew', with the word 'Yours' written above it.

**STUART ANDREW MP**